

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

In re:

KHALID MULUSA RAJAB,

Debtor

Chapter 13

Case No. 20-10638 (ELF)

**OBJECTION OF FRANKLIN MINT FEDERAL CREDIT UNION TO
CONFIRMATION OF DEBTOR'S FIRST AMENDED CHAPTER 13 PLAN**

TO: THE HONORABLE ERIC L. FRANK,
UNITED STATES BANKRUPTCY JUDGE

Franklin Mint Federal Credit Union ("FMFCU"), by and through its undersigned attorneys, hereby objects to confirmation of the First Amended Chapter 13 Plan dated April 27, 2020 and filed May 20, 2020 (the "First Amended Plan") proposed by debtor Khalid Mulusa Rajab (the "Debtor"), and in support thereof represents as follows:

BACKGROUND

1. On or about October 8, 2014, FMFCU made certain loans, advances and extensions of credit to the Debtor in the amount of \$12,740.12 (the "Auto Loan") pursuant to the terms of that certain Loan Agreement and Consumer Credit Disclosure Statement dated October 8, 2014 (the "Note").

2. In consideration for the Auto Loan, the Debtor gave a security interest in favor of FMFCU in the title to the collateral being purchased with the Auto Loan, a 2009 Nissan Murano-V6 (the "Vehicle").

3. On January 31, 2020 (the "Petition Date"), the Debtor filed a voluntary petition pursuant to Chapter 13 of Title 11 of the United States Code (the "Bankruptcy Code").

4. On February 12, 2020, the Debtor filed the Plan.

5. On May 20, 2020, the Debtor subsequently filed the First Amended Plan.

6. As of the Petition Date, FMFCU held a claim secured by the Vehicle in an amount no less than \$1,824.14 (the “Claim”). Included in the Claim is \$764.17 in pre-petition arrears due and owing to FMFCU from the Debtor on account of the Auto Loan. Proof of this Claim was filed with this Court on February 25, 2020 which Claim is incorporated herein by reference as if set forth fully herein.

7. The First Amended Plan, however, is completely silent as to the Claim in that the First Amended Plan fails to provide any information related to the Debtor’s ongoing payment obligations to FMFCU. See First Amended Plan, § 4.

8. The First Amended Plan furthermore does not make any provision for the cure of the outstanding pre-petition arrears. See generally, id.

9. For the foregoing reasons, FMFCU objects to confirmation of the First Amended Plan pursuant to Section 1324(a) of the Bankruptcy Code.

THE RELIEF REQUESTED AND THE REASONS THEREFOR

10. The Bankruptcy Code provides that a Chapter 13 plan shall be confirmed if it “complies with the provisions of this chapter and with the other applicable provisions of this title.”

11 U.S.C. § 1325(a)(1).

11. The First Amended Plan is silent with respect to the Debtor’s ongoing payment obligations to FMFCU under the loan.

12. To the extent the Debtor intends to retain the Vehicle, the Debtor must continue to meet his ongoing regular monthly payment obligations to FMFCU.

13. To the extent the Debtor intends to retain the Vehicle, the Debtor must pay all pre-petition arrears due and owing to FMFCU through the First Amended Plan.

14. Because the Debtor's intentions with respect to its obligations to FMFCU on the Loan going forward are not clear, confirmation must be denied. See 11 U.S.C. § 1325(a)(1).

15. Because the First Amended Plan does not so provide and fails to comply with Section 1325(a)(5)(B)(ii) of the Bankruptcy Code, confirmation must be denied. See 11 U.S.C. § 1325(a)(1).

16. FMFCU expressly reserves the right to raise further objections to confirmation of the First Amended Plan, whether at the hearing on confirmation of the First Amended Plan, or if a subsequent amended plan is proposed by the Debtor.

CONCLUSION

17. For the foregoing reasons, confirmation of the First Amended Plan should be denied.

WHEREFORE, FMFCU respectfully requests the entry of an order denying confirmation of the First Amended Plan for the foregoing reasons, together with such other and further relief as is just and proper.

Respectfully submitted:

KLEHR | HARRISON | HARVEY |
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Dated: May 21, 2020